



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"Enriching Lives"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1333
Telephone: (626) 458-5100
www.ladpw.org

JAMES A. NOYES, Director

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

February 9, 2004

IN REPLY PLEASE
REFER TO FILE: PD-1

TO: Each Supervisor

FROM: James A. Noyes
Director of Public Works

ALAMEDA CORRIDOR EAST (ACE) PROJECT JANUARY 26, 2004, MEETING

On January 26, 2004, a member of my staff attended the regular meeting of the San Gabriel Valley Council of Governments (SGVCOG)-ACE Construction Authority. A copy of the agenda and the adopted minutes of the December 15, 2003, meeting is attached. The following items occurred at the meeting, which are of interest to the County.

Under Agenda Item IV, the Chairman reported that the Los Angeles County Metropolitan Transportation Authority recently reversed its earlier decision to withdraw \$11 million in funding for the ACE program. The Chairman announced that ACE Board members will be making a trip to Washington, D.C. in March 2004 to lobby for Federal funds through the upcoming reauthorization of the Federal transportation funding act. During the March trip, a dinner will be hosted by ACE, the SGVCOG, the Metro Gold Line Construction Authority, and Foothill Transit for various Congressional Representatives. The Chairman also noted that, due to state budget cutbacks, there is a possibility that the Southern California region may fall out of conformity with Federal air quality mandates, which in turn could result in loss of certain Federal funds for the region.

Under Agenda Item VI, the ACE Construction Authority Board reelected Harry Baldwin as Chairman and reelected Ernest Gutierrez as Vice-Chairman.

Under Agenda Item X, the ACE Board received a report from ACE staff on the status of State funding and the reauthorization of the existing Federal transportation funding act. As previously reported to the ACE Board, the ACE program could potentially lose \$46 million due to the proposed repeal of State Traffic Congestion Relief Program funds. The House of Representatives version of the Federal reauthorization legislation is presently a

Each Supervisor
February 9, 2004
Page 2

\$375 billion funding bill with the Senate version recommending \$311 billion over the bill's six-year period. ACE is currently requesting \$220 million through the reauthorization process. The current legislation expires March 1, 2004, and passage of a new bill by that date is not considered likely. It was discussed that a continuing resolution on current legislation may be in place by March and may extend past the November general election.

The next meeting of the ACE Construction Authority Board will be on February 23, 2004, at the Irwindale City Hall at 2 p.m.

GAJ:dp

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Attach.

cc: Chief Administrative Office
Executive Office



Alameda Corridor-East Construction Authority

4900 Rivergrade Rd . Ste A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

REGULAR MEETING AGENDA Monday, January 26, 2004 2 P.M. Irwindale City Hall - Council Chambers 5050 Irwindale Avenue Irwindale, CA 91706

NOTICE
PERMANENT TIME
CHANGE

Members of the public may comment on any item on the agenda at the time it is taken up by the Board. We ask that members of the public come forward to be recognized by the Chair and keep their remarks brief. If several persons wish to address the Board on a single item, the Chair may impose a three- minute time limit on individual remarks at the beginning of discussion.

All items set forth on this agenda may be subject to action.

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|------|---|-----------------|
| I. | Roll Call and Introductions | |
| II. | Approval of Minutes - Regular Meeting of December 15, 2003 (Pages 1-4) | Action |
| III. | Public Comment | |
| IV. | Chairman's Remarks | Information |
| | Chief Executive Officer's Report (Pages 5-16) | Information |
| | Election of Officers | Action |
| | Approval of East End Ave/Reservoir Street Grade Separations Construction Contract (material to be distributed separately) | Possible Action |
| | Nogales Street Grade Separation Environmental Mitigation Monitoring Program (Pages 17-19) | Information |
| IX. | Quarterly Report (Pages 20-37) | Information |
| X. | Funding Update (oral presentation) | Information |

The ACE Construction Authority is currently constituted of seven (7) member jurisdictions: the City of El Monte, the City of Industry, the City of Montebello, the City of San Gabriel, the City of Pomona, the County of Los Angeles, and the San Gabriel Valley Council of Governments. A San Bernardino County Council of Governments representative is an ex officio Board member.

Each member or alternate has one vote. A quorum of the ACE Construction Authority is no less than four (4) of its total voting membership. Actions taken by the ACE Construction Authority shall be by simple majority of the members present with a quorum in attendance except for personnel actions, the annual budget, matters dealing with the Administrative Code or matters requiring subsequent approval by the SGVCOG, which shall require five (5) votes.



**ACE Construction Authority
Regular Board Meeting
December 15, 2003 Minutes**

Chairman Harry Baldwin called the meeting to order at the Irwindale Council Chambers on December 15, 2003 at 1:05 PM.

1. In attendance were:

Harry Baldwin, San Gabriel, Chair
Ernie Gutierrez, El Monte
Michael Antonovich, County of Los Angeles
Jack Phillips, Industry
Ed Vasquez, Montebello
Ed Cortez, Pomona
Bob Huff, SGVCOG, Diamond Bar

Staff

Rick Richmond, Chief Executive Officer
Joe Montes, Legal Counsel
Deanna Stanley, staff
Cynthia Ambrose, staff
Bruce Armistead, staff

Guests

Corey Calaycay, Assemblyman Bob Pacheco
Rose Anderson, Congressman Gary Miller
Tom Melendrez, City of Ontario
Michelle Chang, City of Downey
Larry Lubka, Hunt, Ortman
Pat Padilla, Padilla & Associates
Robert Ozell, Attorney at Law
Gary Purves, Ortiz Enterprises
Raul Kumar, Foothill Transit

2. Approval of minutes of meeting of October 27, 2003

A motion was made to approve the October 27, 2003 meeting minutes.
M/S/C: Gutierrez/Cortez/Unanimous

3. Public Comments

There were no public comments.

4. Chairman's Remarks

The Chairman welcomed Supervisor Antonovich back as member of the ACE Board. He also congratulated Bob Huff on his re-election to the Diamond Bar Council.

Chairman Baldwin announced that letters were sent to the legislative delegation requesting their help in assuring no further funding cuts are made to the ACE Project. He also indicated a coalition of San Gabriel Valley leaders went to Sacramento to meet with legislative representatives to review a list of issues affecting the San Gabriel Valley and salvaging ACE funding a high priority on the list.

5. Chief Executive Officer's Report

Mr. Richmond indicated the House-Senate Conference Committee on the FY '04 Transportation Appropriations is recommending a \$3.18 million earmark for the ACE Project. Jim Connolly, Bechtel-Korve Program Manager, provided a summary of the program management activities over the last month.

6. Hearing on Resolutions of Necessity for Property Acquisitions for Ramona Blvd. Grade Separation Project

The Chairman opened the hearing for Resolution Nos. 03-11 and 03-12. Joe Montes, Burke, Williams, Sorensen reviewed the hearing process. Mark Mendoza, Paragon Partners reviewed the design options and evaluation criteria. He further reviewed the property requirements and indicated the selected design option had the least property impact of the 'build' options considered. He indicated notices were sent to each of the owners of records and negotiations to date were unsuccessful.

The Chairman opened the public comment period. Robert Ozell, an attorney representing Michelle Chang at 11105-11121 E. Ramona addressed the Board. He stated he was not well informed regarding the need for the property, objected to the process and findings and requested the Board not to adopt the resolution. There were no other comments. The Chairman closed the public comment period.

Mr. Mendoza responded there was ongoing communication and there had been no inquiries regarding additional information on the subject property. Mr. Richmond further indicated the Authority worked closely with the City of El Monte in trying to minimize the impact of the project on the community.

The Chairman closed the hearing and a motion was made to adopt Resolution 03-11, authorizing the commencement of eminent domain proceedings to acquire the fee and permanent interests in the real property at 11105-11121 E Ramona Blvd. in the City of El Monte.

M/S/C:Huff/Cortez/Gutierrez Opposed/Passed

A motion was made to adopt Resolution 03-12, authorizing the commencement of eminent domain proceedings to acquire the fee and permanent interests in the real property at 11240 E. Ramona Blvd. in the City of El Monte.

M/S/C:Huff/Cortez/Unanimous

7. Contingency Plan for State and MTA Funding Reductions

Mr. Richmond reviewed the proposed State and local funding reductions. He indicated that if both the State and MTA funding were rescinded, at least one of the three ready-to-go grade separation contracts would have to be deferred. The projects in Pomona are East End/Reservoir and Temple Avenue, and in El Monte at Ramona Blvd. He recommended proceeding with the award of the East End/Reservoir Grade Separations contract because the bid process was complete, the low bid was within budget and that should State funding be lost, the cost can be covered by reallocating other sources. He further indicated an anticipated 180 jobs would be created over the duration of the project.

Mayor Cortez inquired if staff or any Board members were notified by Supervisor Molina of her request for ACE funds to be diverted to the Eastside extension prior to the MTA's December 4 meeting. He also asked what other projects lost funding as a result of the motion. Mr. Richmond responded that the Authority was not aware of the motion prior to the December 4 MTA Board meeting and that the Gold Line project was the other affected project. Supervisor Antonovich indicated he had no knowledge of the adopted motion prior to the meeting and voted against the item. Mr. Cortez stated his discontent with the process of the MTA motion and read a letter he wrote to Supervisor Molina. Further discussion ensued and the Board asked legal counsel review the MTA's Board's notice for possible violation of the Brown Act.

8. Approval of East End/Reservoir Grade Separation Construction Contract

Mr. Richmond reviewed the scope of the work necessary for the East End Ave and Reservoir Street grade separations. He reviewed the bid process. He reported that a protest was filed by Brutoco Engineering and in accordance with the Authority's protest policy, the protest was reviewed by an outside Hearing Officer who denied the protest. Brutoco has filed a writ of mandate petition in Superior Court which will be heard on January 21st. Mr. Richmond requested the Board to authorize the award of the contract with no construction activity or financial obligations unless and until the court stay is resolved in favor of the Authority. This will permit preparatory activities which should expedite the beginning of construction should the Authority prevail in court. A motion was made to authorize the award of contract to Ortiz Enterprises for the construction of the East End Ave and Reservoir Street grade separations in an amount not to exceed \$30,208,600, provided that no construction or financial obligations to the Authority shall take place unless and until the court stay now pending in the LA County Superior Court is resolved in favor of the Authority.

M/S/C: Vasquez/Cortez/Antonovich Abstained/Passed

9. Approval of Sunset Avenue Contract Amendment for Design Services with HNTB Corporation

Mr. Richmond reviewed the design of the Sunset Avenue Grade Separation Project and indicated that as a result of possible development north of the project, and at the request of the City of Industry, a design modification was necessary. The modification included a longer railroad bridge and additional traffic lanes. He further indicated the City of Industry would reimburse the Authority for the design cost and in the event the modified project proceeds, the additional construction costs would also be paid for by the City of Industry. A motion was made to authorize the Chief Executive Officer amend the Sunset Avenue design contract with HNTB Corporation to increase the contract amount by \$150,000 to a new contract value of \$3,515,000 to accommodate a widening of Sunset Avenue at Valley Blvd. as requested by the City of Industry.

M/S/C: Gutierrez/Cortez/Unanimous

10. Closed Session

The Board adjourned to closed session in accordance with Government Code 54956.9(a) for discussions with legal counsel regarding existing litigation and Government Code 54956.9(b) to discuss one matter.

The Board returned from closed session and made the following announcement:

The Board approved a motion for legal counsel to defend the Authority in the cross complaint re: Margarita Mussenden v Union Pacific Railroad.

M/S/C:Gutierrez/Cortez/Unanimous

There being no further business, the meeting was adjourned at 2:30 PM.



Alameda Corridor-East Construction Authority

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MEMO TO: ACE Construction Authority Board Members & Alternates

FROM: Rick Richmond
Chief Executive Officer

DATE: January 26, 2004

SUBJECT: CEO Monthly Report

The following are items of note since the last meeting:

Quiet Zone Update: The Federal Railroad Administration (FRA) has issued a draft regulation regarding implementation of 'Quiet Zones' and the steps local agencies may take to eliminate railroad hornblowing at grade crossings. A summary of the draft rule is attached. Staff is working with FRA staff regarding further detail on the rule and the potential application in San Gabriel Valley along the 35-mile freight corridor.

Community Outreach Update: Staff has conducted the following project outreach activities:

1. Distributed construction alert notices to residents and briefed businesses — adjacent to the Nogales Street Grade Separation project regarding the changeover to the detour road intersection;
2. Conducted school safety homeroom briefings for 2,400 students at Nogales High School in La Puente near the Nogales Street Grade Separation project;
3. Conducted school safety assemblies for 700 students at Rincon Intermediate School in West Covina near the Nogales Street grade separation project;
4. Mailed 2,050 letters and construction alert notices to families of students enrolled in Nogales High School in La Puente regarding motorist and pedestrian safety precautions related to the changeover to the detour road intersection at the Nogales Street grade separation project;
5. Assisted in arranging the broadcast of the ACE Project informational videotape and the ACE Project student safety videotapes on the City of West Covina community access cable channel; and
6. Conducted a briefing for the Principal of Pueblo Elementary School and the Principal of Village Academy High School in Pomona regarding the ACE student safety outreach program and the East End/Reservoir grade separation projects.

DBE Outreach:

Invoices have been submitted and analyzed for the federal fiscal year 2002-2003. The results indicate that the ACE Construction Authority's DBE goal attainment for FFY 2002/2003 was 36% (based upon percentage of total dollars paid to DBE's). The established goal for the federal fiscal year was 18%. Overall, DBE firms have received

\$13,009,721 representing 34% of the total dollars paid to all firms under the ACE Project from inception of the project.

Contracting: Our Administrative Code delegates the CEO the authority to approve new contracts or change orders for Board-approved contracts within certain limits, with a requirement that I report to the Board any such contract action. Below is the contract action approved this past month.

<u>Contractor</u>	<u>Comments</u>	<u>Amount</u>
Moss Levitt & Mandell, LLP	Award (retained Rodney Moss as Hearing Officer for East End Avenue & Reservoir Street Grade Separation protest)	\$5,000

Revised Construction Contract Closeout: In October 2003, you approved close-out of our construction contract for safety improvements at Mission Road in San Gabriel. At that time, the final contract value was reported at \$1,072,653. When the final change order was prepared, it was calculated to be \$105.36 higher than previously calculated. Accordingly, the revised final change order amount is \$58,654.36, and the final contract amount is \$1,072,758.56.

At the same Board meeting, another contract for grade crossing safety improvements was also approved by the Board for close-out. There was a minor item of \$1,600 for 8 temporary advance-warning signs which we failed to include in the close-out calculation. The final contract amount of \$1,472,993.94 remains below the original bid.

Update on East End Avenue and Reservoir Street Grade Separations project: As you may remember, on November 6, 2003, four bids were received for this project. All bids were reviewed for accuracy, completeness and responsiveness. All bids were deemed responsive. At the time of bid submission, none of the bidders met the 13% DBE goal. The good faith outreach efforts of the three low bidders were reviewed and their bids determined to be responsive. Ortiz Enterprises, Inc.'s bid of \$30,208,600 was declared as the low bid.

Brutoco Engineering & Construction submitted a bid protest to the award of the contract to either Ortiz Enterprises, Inc. or Steve P. Rados, Inc. (the low and second low bidder's, respectively) based on the evaluation of good faith outreach efforts to achieve the DBE goal. ACE submitted the protest to its Hearing Officer. Upon review, the protest was denied.

Brutoco subsequently petitioned the Los Angeles Superior Court for an alternative Writ of Mandate and requested a Temporary Stay Order barring ACE from awarding the contract to Ortiz. On December 11, 2003, the court heard Brutoco's motion. The court set a hearing date of January 21, 2004, but allowed ACE to award the contract to Ortiz, provided that no work would be done prior to the hearing. At the December 2003 meeting, the Board approved the award to Ortiz with the condition that no work would occur. I will report on the outcome of the January 21, 2004 hearing at our January meeting.

Program Management Monthly Report: Mr. Jim Connolly, the Project Manager, will report on the Bechtel/Korve program management support activities for the last month (attached).